Prospectus Number: PMD-03-WA14

Congressional District: 8

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 194,000 rentable square feet (rsf) of space for the National Institutes of Health (NIH) Office of the Director (OD), currently located at 6011 Executive Boulevard, 6100 Executive Boulevard, 6120 Executive Boulevard, and 2115 East Jefferson Street in Rockville, MD, in three GSA leases and three NIH direct leases. A small amount of space occupied by OD at the NIH campus in Bethesda MD is also part of the proposed project.

NIH will improve their office utilization rate from 168 usable square feet (USF) per person to 106 USF per person and their overall utilization rate from 239 USF to 170 USF per person. The latter is consistent with the HHS 170 usf/person overall space utilization standard. The end product of improved space utilization is the prospectus proposal to house current personnel in 56,144 RSF less than the total of current occupancies.

Description

Occupants:

Lease Type: Replacement

Current Rentable Square Feet (RSF): 250,144 (Current RSF/USF=1.10) Proposed Maximum RSF': 194,000 (Proposed RSF/USF=1.20)

Expansion/Reduction RSF: 56,144 RSF Reduction

Current Usable Square Feet / Person: 239
Proposed Usable Square Feet / Person: 170
Proposed Maximum Lease Term: 15 ve

Proposed Maximum Lease Term: 15 years
Expiration Date of Current Leases: 12/31/2013 – 11/1/2015

Proposed Delineated Area: Suburban Maryland – Montgomery and Prince

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NIH

Georges Counties

Number of Official Parking Spaces:

¹ The RSF/USF at the current location is approximately 1.10, however to maximize competition a RSF/USF ratio of 1.20 is used for the proposed maximum RSF as indicated in the housing plan.

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Scoring:

Operating lease

Maximum Proposed Rental Rate²: Proposed Total Annual Cost³:

Current Total Annual Cost:

\$35.00 \$6,790,000 \$7,782,246

Acquisition Strategy

In order to maximize flexibility in acquiring space to house NIH OD, GSA may issue a single, multiple award lease solicitation that will allow offerors to provide blocs of space able to meet these requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

Background

The OD is a central management organization that plays an active role in shaping the research agenda and overseeing the operations of 27 NIH Institutes and Centers The OD is an integral component of NIH's mission and is responsible for setting policy for NIH and for planning, managing, and coordinating the programs and activities of all the NIH components. Its primary function is to provide overall leadership to NIH activities in both scientific and administrative matters.

Justification

The current leases at 6011 Executive Boulevard, 6100 Executive Boulevard 2115 East Jefferson Street, and 6120 Executive Boulevard expire December 31, 2013 through November 1, 2015, and NIH OD requires continued housing to carry out its mission.

Operating in multiple locations has created administrative inefficiencies such as duplication of resources that OD seeks to rectify. Some if not all of the OD personnel may need to relocate to meet the HHS 170 usf/person space standard, presenting an opportunity to potentially co-locate personnel into no more than two locations.

²This estimate is for fiscal year 2015 and may be escalated by 1.9 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that lease award is made in the best interest of the government. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

³Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

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The OD will continue to need efficient transportation access to the NIH campus in Montgomery County Maryland, NIH off-campus clusters, I-270, NW Beltway Spur, including proximity to the Metrorail system. Employees rely on the NIH shuttle service and public transit to make frequent trips to the NIH campus and other clusters.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

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Certification of Need	
The proposed project is the best solution to meet a validated Government need.	
Submitted at Washington, DC, on	
Recommended:Commissioner, Public Buildings Service	
Approved:	
Administrator, General Services Administration	